

ARTICLE 5

SECTION 12

SPECIAL NO SHARE-OF-COST PROGRAMS  
FOR PREGNANT WOMEN AND CHILDREN

1. GENERAL

This section identifies applicants/beneficiaries who are potentially eligible for these programs, describes the scope of benefits, and provides instructions for workers to determine the applicant/beneficiary's eligibility.

A. Income Disregard Program and Asset Waiver Provision (Effective September 1, 1994)

MEM  
PROC. 5F

The Income Disregard Program and Asset Waiver provision provide no share-of-cost Medi-Cal coverage to eligible pregnant women and infants under the age of one year. For otherwise eligible pregnant women and infants, to qualify for the Income Disregard Program, the MFBU must have net nonexempt income that exceeds the Medi-Cal maintenance need level but not over 200% of the Federal Poverty Level (FPL).

Assembly Bill 2377 required the implementation of an asset waiver provision in the Income Disregard Program for pregnant women and infants whose income is at or below 200 percent of the FPL. Otherwise eligible pregnant women and infants whose family income is at or below 200 percent of the FPL but whose assets exceed the Medi-Cal property limit are eligible for the asset waiver provision of the Income Disregard Program.

Therefore, those cases that are eligible with a share-of-cost or that are denied for excess property and contain a pregnant woman and/or infant under the age of one will be evaluated for eligibility under the Income Disregard Program and Asset Waiver provision.

Effective July 1, 1995, if the applicant is only requesting pregnancy-related services (or full-scope services for an infant under the age of one), and the county has determined that the family income is at or below 200 percent of FPL, the county shall not require verification of any property noted on the MC 210. In addition, the applicant will not be required to complete any supplemental property forms or provide proof of utilization on other real property.

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1) Choices of Programs

If, at application, or when the County becomes aware that a family containing a pregnant woman or infant under age one has property, and the family's income is at or below 200 percent of the FPL, the applicant/beneficiary shall be made aware of the Asset Waiver program. The family will be informed of the choice to either

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provide verification of the value of the property and spend down to meet the regular Medi-Cal eligibility requirements if the property exceeds the current Medi-Cal property level, or receive benefits under the Asset Waiver program.

2) Income from Exempt Property

Income from property whose value is waived under the Asset Waiver program will be counted when determining the family's share-of-cost and/or eligibility for the Asset Waiver program in all cases, except if it is unavailable in accordance with MPG Article 10, Section 1, Item 5, exempted by specific court order or statute, or in the particular situations listed below:

- > Interest income from a revocable or irrevocable burial trust or reserve which is exempt as property shall not be counted, if the family provides documentation that the burial trust or reserve meets the exemption criteria and that the interest income is left to accumulate and become part of the separate identifiable burial fund.
- > Interest income from disaster or emergency assistance payments is also exempt.

3) Rental Income

If the family has rental income from real property, the client shall be provided an opportunity to state any expenses associated with this rental income, by completing those questions on the MC 210 S-P that specifically pertain to rental expenses. The Asset Waiver applicant/beneficiary will not be asked to provide any documentation of the property other than that necessary to establish the amount of income and any associated expenses.

4) Property Worksheet

A property worksheet (MC 176P) is not required for those cases that meet the Asset Waiver program requirements. However, if the worker encounters a case in which the income from property is exempted by statute or court order, the worker shall document this fact in the case record.

5) IEVS

The requirement to check IEVS for all applicants shall continue to apply, regardless of whether the family meets the Asset Waiver program requirements. IEVS provides income information as well as identifying interest income from property and cross-indexing for statewide welfare case information.

B. 133% Program (Effective April 1, 1990)

The 133% program provides no share-of-cost Medi-Cal coverage to otherwise eligible children from age one up to age six (through the age of five). To qualify for this program, the net nonexempt income of the MFBU must exceed the Medi-Cal maintenance need level but not be over 133% of the federal poverty level. All share-of-cost cases with children from ages one up to and including age five will be evaluated for eligibility to this special program.

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C. 100 Percent Program (Effective July 1, 1991)

The 100 Percent Program provides no share-of-cost Medi-cal coverage to eligible children from age six to age nineteen (through eighteen). To qualify for this program, the net non-exempt income of the MFBU must not exceed 100 percent of the federal poverty level.

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2. INCOME DISREGARD AND THE ASSET WAIVER PROVISION

A. Explanation of Benefits

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1) Pregnant Women

a) Scope of Benefits

Pregnant women who qualify for no share-of-cost benefits under the Income Disregard and the Asset Waiver provision receive pregnancy-related services regardless of their citizenship or alien status. Pregnancy services include prenatal care, labor, delivery, postpartum care and family planning. Under the Income Disregard Program, they may also be eligible for non-pregnancy related services with a share-of-cost under the MI/MN program. Under the Asset Waiver provision of the Income Disregard Program, pregnant women can receive only pregnancy-related services. If the pregnant woman wants full-scope benefits for herself and/or the rest of her family, she must reduce her family assets to the property limit in order to establish regular Medi-Cal eligibility.

b) Period of Eligibility

The period of eligibility begins with the first day of the month of self-declaration of pregnancy. The pregnant woman may request a retroactive Medi-Cal evaluation (see 5-12-2E).

Eligibility under the Income Disregard and Asset Waiver aid codes continues through the 60-day postpartum period, providing eligibility is maintained through the month of birth. The mother must be discontinued from the MFBU at the end of the month in which the 60-day postpartum period concludes.

c) Long-Term Care (LTC)

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Normally, any MFBU with a share-of-cost (SOC) that contains an LTC person, must have the SOC listed for the LTC person. A pregnant woman in LTC who is not disabled and is eligible under the special programs must have zero SOC. Any SOC will be assigned to the other members of the MFBU who are not LTC. Any non-pregnancy related services received by her in the LTC facility may be applied towards the MFBU's SOC.

2) Infants Up to One Year of Age

a) Scope of Benefits

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Infants who qualify for benefits under either the Income Disregard or the Asset Waiver provision will receive either full-scope benefits or benefits limited to the treatment of emergency medical conditions depending upon their citizenship status.

(1) Infants eligible for full-scope Medi-Cal benefits include citizens, legal permanent residents, conditional residents and infants permanently residing in the U.S. under color of law (PRUCOL).

(2) Infants whose benefits are limited to the treatment of emergency medical conditions include undocumented aliens and temporary visa holders.

b) Period of Eligibility

The period of eligibility for infants begins at birth and continues through the month of their first birthday, providing eligibility is maintained during this period.

NOTE: If eligibility changes from Income Disregard (MI/MN) to the Asset Waiver provision or vice versa, aid codes and documents must be changed accordingly.

An infant who is an inpatient receiving continuous services which begin before and continue beyond the infant's first birthday, will be entitled to extended eligibility under the Income Disregard or Asset Waiver provision for which they qualify until the end of the month in which the continuous stay ends, as long as the family remains eligible to the Income Disregard or Asset Waiver Provision.

Inpatient services are defined as any medical facility in which the infant stays over 24 hours, including long-term care (LTC) and acute care facilities.

c) Long-Term Care (LTC)

Normally, any MFBU with a share-of-cost (SOC) that contains a LTC person must have the SOC listed for the LTC person. Since special program infants must have zero SOC, any SOC will be assigned to the other members of the MFBU who are not LTC.

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B. Eligibility Determinations

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All pregnant women and infants under the age of one year who are determined eligible for Medi-Cal with a share-of-cost will be evaluated for eligibility under the Income Disregard Program. Cases that include a pregnant woman and/or infants under age one that are denied for exceeding the property limit will be evaluated for eligibility under the Asset Waiver Provision of the Income Disregard Program.

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1) Two-Step Eligibility Determination

Medical eligibility for pregnant women and infants up to one year shall be determined in the following order.

a) Regular MI/MN Program

(1) Use the regular process to verify Medi-Cal eligibility, and determine if there is a share-of-cost (SOC). When all eligibility factors are met and there is no SOC, approve aid under the regular MI/MN program and stop here.

(2) If regular Medi-Cal is denied for excess property, evaluate for eligibility to the Asset Waiver provision. (See 2B.1.c.1)

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b) Income Disregard Program Eligibility Determination

If there is eligibility with a share-of-cost, determine if eligibility can be established under the Income Disregard Program. Pregnant minors must be evaluated using the Parental Income Disregard provision if the child does not qualify under regular Income Disregard Program rules. Using either the regular Income Disregard Program or the Parental Income Disregard provision, if net nonexempt family income is over the maintenance need and does not exceed 200% of the federal poverty level (FPL), approve aid under the Income Disregard program. If net nonexempt family income is over 200% of the FPL, issue a denial NOA.

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c) Asset Waiver Provision Eligibility Determination

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(1) If there is a denial for excess property, evaluate for eligibility to the Income Disregard-Asset Waiver provision. If net nonexempt family income does not exceed 200% of the federal poverty level, approve aid under the Asset Waiver Provision.

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NOTE: If the income increases or decreases and there is still excess property, the Income Disregard case remains active.

2) Treatment of Income

Use form 14-11 HHSA, 100%, 133% or 200% Program Eligibility Worksheet, for Income Disregard and Asset Waiver eligibility computations unless the determination is completed through the Automated Intake System (AIS). AIS cannot evaluate for eligibility under the Parental Income Disregard provision. See Appendix G for examples of Income Disregard evaluations.

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a) Allowable Deductions

When determining eligibility for either program, the worker will deduct from the gross nonexempt income of the MFBU all allowable income deductions under the AFDC-MN program (including excluded child allocations) except those deductions indicated in b) below.

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b) Unallowable Deductions

The following deductions are not allowable when computing net nonexempt income under either program:

- (1) Health insurance premiums; and
- (2) Deductions which are allowed for aged, blind and disabled (ABD) persons under the MI/MN programs.

c) Parental Income Disregard Provision

Under the Parental Income Disregard Program provision, income from a parent of a pregnant minor who live together in the home is to be disregarded if the pregnant minor is not eligible using regular Income Disregard rules. This change applies to all pregnant minors, including a pregnant minor between the ages of 18 and 21 and claimed as a tax dependent by her parents, even though she does not live in the home of the parents (e.g. she is temporarily away at college). The Parental Income Disregard provision must be used if the parent refuses to provide verification of income, but provides sufficient information about the minor.

Note: When the parental income is disregarded, the parent(s) will not be counted in the maintenance need level when comparing income to 200% of the FPL.

3) When to Evaluate Special Program Eligibility

The worker will evaluate eligibility for the Income Disregard Program for all pregnant women and infants under the age of one year at the following times:

- a) Application and reapplication;
- b) Redetermination;
- c) When the beneficiary with a share-of-cost reports that she is pregnant;
- d) There is a change in income;
- e) There is a change in circumstances that affects the size of the MFBU;
- f) The federal poverty level changes;
- g) A child is born, and the case was not previously evaluated for special programs; and
- h) When Medi-Cal is denied/discontinued due to excess property.

4) Discontinuance of Income Disregard Program Eligibility

Eligibility under the Income Disregard program ends when:

- a) The pregnant woman and/or infant are no longer otherwise eligible for Medi-Cal;
- b) The net nonexempt income of the MFBU falls to within the maintenance need level or rises above 200% of the federal poverty level;
- c) The 60-day postpartum period ends for the mother who is no longer pregnant; or
- d) The infant becomes one year of age and is not receiving inpatient care that is expected to continue into the month following the infant's first birthday.

Note: Under Continued Eligibility for pregnant women or Deemed Eligibility for infants, eligibility cannot be ended during the pregnancy or, for the infant, prior to the first birthday due to an increase in income. If the and infant is active in the Income Disregard Program and loses eligibility, evaluate the child for Deemed Eligibility or Continuous Eligibility for Children (CEC) prior to taking any negative action. Approve for Deemed Eligibility or CEC if eligible.

5) Discontinuance of Asset Waiver Provision

Eligibility under the Asset Waiver provision ends when:

- a) The pregnant woman and/or infant are no longer otherwise eligible for Medi-Cal;
- b) The family's assets are within the Medi-Cal property limits;
- c) The 60-day postpartum period ends for the mother who is no longer pregnant; or
- d) The infant becomes one year of age and is not receiving inpatient care that is expected to continue into the month the following the infant's first birthday.

Note: If an infant is active in the Asset Waiver Program and loses eligibility, evaluate the child for Deemed Eligibility or CEC prior to taking any negative action. Approve Deemed Eligibility or CEC if eligible.

C. Medi-Cal Family Budget Unit

1) Pregnant Woman and Unborn

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a) Income Disregard Program

When a pregnant woman is eligible under the Income Disregard program, the pregnant woman and the unborn may be included in two MFBUs:

- (1) The Income Disregard program MFBU; and
- (2) The MI/MN program MFBU with a share-of-cost.

The pregnant woman will be issued Medi-Cal benefits under the Income Disregard program aid code which will cover only pregnancy related and postpartum services. Once the share-of-cost has been met in the MI/MN case, she will be eligible for services under the MI/MN aid code to cover her non-pregnancy medical care.

Women who are eligible for Medi-Cal solely on the basis of pregnancy are eligible under the MI program. Although Income Disregard benefits for an MI mother continue through the postpartum period, she must be discontinued from the MI/MN MFBU at the end of the month in which she delivers her newborn. She is to remain in the MI/MN MFBU as an ineligible person for SOC computation purposes.

b) Asset Waiver Provision

When the pregnant woman is eligible under the Asset Waiver provision of the Income Disregard program, the pregnant woman and the unborn will be in



only the Income Disregard MFBU, there will be no active regular Medi-Cal case. The pregnant woman will be issued Medi-Cal benefits under the Asset Waiver provision aid code which will cover only pregnancy related and postpartum services.

2) Infants Under the Age of One Year

a) Income Disregard Program

If there is an otherwise eligible infant (or infants) under the age of one, the infant will be placed in the Income Disregard MFBU. The infant will be issued benefits only under the Income Disregard MFBU rather than the MI/MN MFBU since the infant's scope of benefits is the same under both programs. However, the infant is included in the MI/MN MFBU as an ineligible person for determining the family's share-of-cost. Although treated as an ineligible person, the infant may link parents to AFDC-MN for Medi-Cal eligibility purposes.

If the net nonexempt income of the MFBU falls within the maintenance need level or rises above 200% of the federal poverty level, the worker will re-activate the infant in the MI/MN MFBU as an eligible person. The Income Disregard MFBU must be discontinued with timely notice when income exceeds 200% of the federal poverty level. Timely notice is not required when income falls within the maintenance need level and no SOC cards will continue to be issued under a different aid code.

b) Asset Waiver Provision

When the infant (or infants) under the age of one is eligible under the Asset Waiver provision of the Income Disregard Program, the infant will be in only the Income Disregard MFBU, there will be no active regular Medi-Cal case.

D. Adding Newborns

ACWDL 03-45

No application forms are required to add a newborn to the Medi-Cal case regardless of whether the child is Deemed Eligible or not. See MPG 4-2-13 for more information on adding newborns.

ACWDL 03-49

1) Deemed Eligibility

According to Deemed Eligibility rules, an infant is to be placed in the same category of aid as the mother. Therefore, if the mother received Medi-Cal in the month of birth (see MPG 5-15) through the Income Disregard Program, the newborn will be added to the Income Disregard Program case. However, even if the mother received restricted benefits in the month she gave birth, the infant receives full-scope benefits. This should be done quickly as soon as the name, sex and date of birth are available. For more information, see MPG 5-15

2) Not Eligible to Deemed Eligibility

If the mother did not meet her SOC in the month of birth, a statement of citizenship/alien status and application for SSN must be obtained for the infant. For more information, see MPG 5-15.

3) MI/MN MFBU

The newborn must be added to the MI/MN MFBU as an ineligible person when he/she will be issued benefits through the Income Disregard MFBU. If the entire MI/MN MFBU is ineligible (e.g., no linkage for parents, no other children), the newborn's PDTL linkage code must be entered.

E. Retroactive Medi-Cal Requests

When a pregnant woman and/or infant under the age of one year request retroactive Medi-Cal benefits, the worker must evaluate their eligibility for retroactive Deemed Eligibility, Income Disregard and Asset Waiver benefits.

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In some cases, a woman applicant may not be pregnant at the time of application but may have been pregnant or in the postpartum period for one or more of the retroactive months. Likewise, an infant may be over one year of age at the time of application but may have been under one year of age for all or part of the three-month retroactive period. These situations need to be evaluated for retroactive Deemed Eligibility, Income Disregard and Asset Waiver benefits.

Retroactive benefits will be generated from the RM-1 CDS document.

F. Minor Consent

Pregnant minors who apply for minor consent services may qualify for either the Income Disregard or the Asset Waiver provision. Pregnant minors are to be issued a no SOC limited service card under the appropriate aid code. Remember, minor consent applicants are never required to verify pregnancy.

3. 133% PROGRAM - For children ages one up to age six (through age five)

A. Explanation of Benefits

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Children who have attained age one but who have not attained age six who qualify for benefits under the 133% program will receive either full-scope benefits or benefits limited to the treatment of emergency medical conditions depending upon their citizenship status.

- 1) Children eligible for full-scope Medi-Cal benefits include citizens, lawful permanent residents, conditional residents and those permanently residing in the U.S. under color of law (PRUCOL). (Aid Code 72)

- 2) Children whose benefits are limited to the treatment of emergency medical conditions include undocumented aliens and temporary visa holders. (Aid Code 74)

B. Period of Eligibility

- 1) Eligibility under the 133% program will begin for children who have attained age one but not age six, unless the child's eligibility continues under the Income Disregard or Asset Waiver because he/she was receiving inpatient services during a continuous period which began before and continues beyond the child's first birthday.
- 2) Eligibility ceases at the end of the month in which the child attains age 6 unless the child is receiving inpatient services during a continuous period which began before and continues beyond the child's sixth birthday.
- 3) If a child is receiving continuous inpatient services and turns age six, 133% eligibility will be redetermined at age six and again at six-month intervals. Workers will need to set tic reminders for these six month redeterminations.

C. Eligibility Determination

All children who have attained age one but not age six and who are eligible to Medi-Cal with a share-of-cost or ineligible for regular Medi-Cal due to property will be evaluated for eligibility to the 133% program.

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1) Treatment of Income

Form 14-11, 133% Special Program Eligibility Worksheet, is to be used for non-AIS eligibility computations.

a) Allowable Deductions

When determining eligibility for the 133% program, the worker will deduct from the gross nonexempt income of the MFBU all allowable income deductions under the AFDC-MN program (including excluded child allocations) except those deductions indicated in b) below.

b) Unallowable Deductions

The following deductions are not allowable when computing net nonexempt income under either Percent program:

- (1) Health insurance premiums; and
- (2) Deductions which are allowed for aged, blind and disabled (ABD) persons under the MI/MN programs.

EXAMPLE:

Regular MI/MN SOC Program Computation

| <u>MFBU - MN</u> |         | <u>INCOME</u> |                          |
|------------------|---------|---------------|--------------------------|
| Pregnant mom     | Robyn   | \$1,200       | net unearned income      |
| Unborn           |         | - 40          | health insurance premium |
| 3 mo. old        | Matthew | \$1,160       | net nonexempt income     |
| 2 yr. old        | Ryan    | -1,100        | maintenance need level   |
|                  |         |               | for 4 (1989)             |
|                  |         | \$ 60         |                          |

133% Program Computation

The MFBU of the 133% Program consists of Ryan.

Since health insurance premiums, medical expenses used to meet a share-of-cost, and deductions solely for the aged, blind, and disabled cannot be used to reduce the family's net nonexempt income for this program as well as for the 185% and 200% programs, the worker will recompute the family's net nonexempt income.

|         |                               |
|---------|-------------------------------|
| \$1,160 | net nonexempt income          |
| + 40    | health insurance premium      |
| \$1,200 | adjusted net nonexempt income |

Compare to 133% of the federal poverty level for 4 persons: \$1,408 (effective April 1, 1990).

Ryan is eligible for 133% program.

Robyn, unborn, and Matthew are eligible for 185% Program (compare 185% of the federal poverty level for 4 persons: \$1,958 effective April 1, 1990).

2) Treatment of Property

Effective March 1, 1998, there is NO LONGER a property eligibility requirement in this program. Therefore, workers need not obtain information/verification of the family's property when determining eligibility for children under this program.

However, due to enhanced federal funding available to children eligible to the 133 Percent program who are or appear to be over the property limit for their MFBU, separate aid codes must be used. Workers are not required to verify property under the Property Disregard Program. These codes would only be used if the client voluntarily provides property verification or it becomes otherwise known to the worker that the child is over property. The aid codes are:

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- 8P-full scope benefits
- 8N-restricted benefits

3) Long-Term Care (LTC) SOC

Normally, any MFBU with a share-of-cost (SOC) that contains an LTC person, must have the SOC listed for the LTC person. Since special program infants must have zero SOC, any SOC will be assigned to the other members of the MFBU who are not LTC.

4) When to Evaluate Special Program Eligibility

The worker will evaluate eligibility for the 133% programs for all children from age one up to age six who are Medi-Cal eligible with a share-of-cost at the following times:

- a) Application and reapplication;
- b) Redetermination;
- c) There is a change in income;
- d) There is a change in circumstances that affects the size of the MFBU;
- e) The federal poverty level changes; and
- f) A child reaches age one.

5) Discontinuance of 133% Program Eligibility

Eligibility under the 133% program ends when:

- a) The child is no longer otherwise eligible for Medi-Cal;
- b) The net nonexempt income of the MFBU falls to within the maintenance need level or rises above 133% of the federal poverty level;
- c) The child becomes six years of age and is not receiving inpatient care that is expected to continue into the month following the child's sixth birthday.
- d) A timely NOA must be sent when the 133% program is discontinued even when the child remains eligible to share-of-cost Medi-Cal.

D. Medi-Cal Family Budget Unit

When a child age one through age six is eligible under the 133% program, the child will be included in two MFBUs:

- 1) The 133% program MFBU, and
- 2) The MI/MN program MFBU with a share-of-cost as an ineligible person. The child may link parents to AFDC-MN for Medi-Cal eligibility purposes.

E. Benefit Issuance

The child will be issued no share-of-cost Medi-Cal benefits under the 133% Program MFBU.

F. Retroactive Medi-Cal Requests

When a child from age one through age six is determined eligible for retroactive Medi-Cal benefits with a share of cost, the worker must evaluate for 133% program eligibility.

G. Case Counts

As in the Income Disregard Program, cases which include children covered under the 133 Percent Program will be counted as a separate case.

Intake activity may be claimed either for an approved application or, where eligibility is not established under this program due to excess family income, for a denied application.

Regardless of the number of eligibles in a case receiving benefits under the 133 Percent Program, they are all counted as one 133 Percent case.

Thus, if some of the Medi-Cal Family Budget Unit (MFBU) members are in a 133 Percent case, some are eligible for the Income Disregard Program, and some are just in the regular MFBU, the County would receive three case counts.

4. 100% PROGRAM - For children ages six up to age nineteen (through eighteen)

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A. Explanation of Benefits

Children who qualify for benefits under the 100% program will receive either full scope benefits or restricted benefits limited to the treatment of emergency medical conditions and pregnancy related services. The scope of benefits depends upon their citizenship status.

- 1) Children eligible for full scope Medi-Cal benefits include citizens, lawful permanent residents, PRUCOL, or amnesty (ABD or under 18).
- 2) Children eligible for restricted Medi-Cal benefits include undocumented aliens, Amnesty (not ABD or under 18), or applicants for Amnesty.

B. Period of Eligibility

- 1) Only children born after September 30, 1983 will be evaluated for eligibility under the 100% program. Children born prior to September 30, 1983 are not eligible for this program. This birth date restriction is removed effective March 1, 1998. This means that on or after March 1, 1998 any child from age six up to age 19 is potentially eligible for 100% program whether or not he/she was born after September 30, 1983.
- 2) Eligibility under the 100% program begins when the otherwise eligible child attains age six and ceases at the end of the month in which the child reaches age nineteen, unless the child is receiving inpatient services during a continuous period which began before and continues beyond the child's nineteenth birthday.

C. Eligibility Determinations

All children who have attained age six but under age 19 and who are eligible for share-of-cost Medi-Cal or ineligible for regular Medi-Cal due to property will be evaluated for eligibility to the 100% program.

1) Treatment of Income

Form 14-42, 100% Special Program Eligibility Worksheet, is to be used for non-AIS eligibility computations.

a) Allowable Deductions

When determining eligibility for the 100% program, the worker will deduct from the gross nonexempt income of the MFBU all allowable income deductions under the AFDC-MN program (including excluded child allocations) except those deductions indicated in b) below.

b) Unallowable Deductions

The following deductions are not allowable when computing net nonexempt income under the 100% program:

- (1) Health insurance premiums; and
- (2) Deductions which are allowed for aged, blind and disabled (ABD) persons under the MI/MN programs.

EXAMPLE:

Regular MI/MN SOC Program Computation

| <u>MFBU - MN</u>       | <u>INCOME</u> |                              |
|------------------------|---------------|------------------------------|
| Married unemployed dad | \$1,467       | net unearned income          |
| Married pregnant mom   | - 40          | health insurance premium     |
| Unborn                 |               |                              |
| 3 mo. old girl         | \$1,427       | net nonexempt income         |
| 6 yr. old boy          | -1,417        | maintenance need level for 6 |
| 7 yr. old boy          |               |                              |
|                        | \$ 10         | SOC                          |

100% Program Computation

The MFBU of the 100% Program consists of the two boys ages 6 and 7.

Since health insurance premiums, and deductions solely for the aged, blind, and disabled cannot be used to reduce the family's net nonexempt income for this program as well as for the 133%, Income Disregard and Asset Waiver programs, the worker will recompute the family's net nonexempt income. ACWDL 94-07

\$1427 net nonexempt income  
+ 40 health insurance premium  
\$1467 adjusted net nonexempt income

Compare to 100% of the federal poverty level for 6 persons: \$1,606 (effective April 1, 1993).

The two boys are eligible for the 100% program.

Mother, unborn, and baby girl are eligible for Income Disregard Program (compare 200% of the federal poverty level for 6 persons: \$3,212 effective April 1, 1993).

2) Treatment of Property

Effective March 1, 1998, there is NO LONGER a property eligibility requirement in this program. Therefore, workers need not obtain information/verification of the family's property when determining eligibility for children under this program.

However, due to enhanced federal funding available to children eligible to the 100 Percent program who are or appear to be over the property limit for their MFBU, separate aid codes must be used. Workers are not required to verify property under the Property Disregard Program. These codes would only be used if the client voluntarily provides property verification or it becomes otherwise known to the worker that the child is over property. The aid codes are: ACWDL #98-46



- 8R-full scope benefits
- 8T-restricted benefits

3) When to Evaluate Special Program Eligibility

The worker will evaluate eligibility for the 100% program for all children who were born after September 30, 1983 and who have attained age six who are Medi-Cal eligible with a share-of-cost at the following times:

- a) Application and reapplication;
- b) Redetermination;
- c) There is a change in income;
- d) There is a change in circumstances that affects the size of the MFBU;
- e) The federal poverty level changes; and
- f) A child reaches age six

4) Discontinuance of 100% Program Eligibility

Eligibility under the 100% program ends when:

- a) The child is no longer otherwise eligible for Medi-Cal;
- b) The net nonexempt income of the MFBU falls to within the maintenance need level or rises above 100% of the federal poverty level;
- c) The child becomes nineteen years of age and is not receiving inpatient care that is expected to continue into the month following the child's nineteenth birthday;
- d) A timely NOA must be sent when the 100% program is discontinued even when the child remains eligible to share-of-cost Medi-Cal.

D. Medi-Cal Family Budget Unit

When a child is eligible under the 100% program, the child will be included in two MFBUs:

- 1) The 100% program MFBU, and
- 2) The MI/MN program MFBU with a share-of-cost as an ineligible person. The child may link parents to AFDC-MN for Medi-Cal eligibility purposes.

E. Sneede and the 100% Program

As in the other percentage programs, workers are to determine Sneede MBUs first. MBUs of children born after September 30, 1983 who are at least six years old and who have a share-of-cost should be evaluated for the 100% program.

F. Benefit Issuance

The child will be issued no share-of-cost Medi-Cal benefits under the 100% Program MFBU.

G. Retroactive Medi-Cal Requests

When a child from age six to nineteen is determined eligible for retroactive Medi-Cal benefits with a share-of-cost, the worker must evaluate for 100% Program eligibility.

H. Case Counts

As in the 133% and Income Disregard Programs, cases which include children covered under the 100% Program will be counted as separate cases.

Intake activity may be claimed either for an approved application or, where eligibility is not established under this program due to excess family income, for a denied application.

Regardless of the number of eligibles in a case receiving benefits under the 100% Program, they are all counted as one 100% case.

Thus, if some of the Medi-Cal Family Budget Unit (MFBU) members are in a 100% case, some are eligible for the Income Disregard Program, and some are just in the regular MFBU, the County would receive three case counts.

## APPENDIX A

### Aid Codes, Implementation Date and Benefits

| Aid Code                           | Benefits  |
|------------------------------------|---|
| 1. <u>Income Disregard Program</u> | Pregnant women and infants up to one year who are otherwise eligible to Medi-Cal and whose countable family income does not exceed 200% of the FPL. Effective date February 1, 1994.                      |
| 44                                 | Pregnancy Related and Postpartum Services Only<br>(Citizen/Lawful permanent resident/PRUCOL/Conditional Status)   |
| 48                                 | Pregnancy Related and Postpartum Services Only<br>(Nonimmigrant/Undocumented Status)  |
| 49                                 | Pregnancy Related and Postpartum Services Only (IRCA amnesty)   |
| 47                                 | Full benefits to infants up to one year unless continuous hospitalization lasts beyond one year<br>(Citizen/Lawful permanent resident/Prucol Conditional Status)  |
| 69                                 | Emergency Services Only to infants up to one year unless continuous hospitalization lasts beyond one year<br>(Nonimmigrant/Undocumented Status)   |
| 2. <u>Asset Waiver Provision</u>   | Pregnant women and infants up to one year whose family nonexempt assets exceed the Medi-Cal property limits and countable family income is at or below 200% of the FPL. Effective date September 1, 1994. |
| 44W                                | Pregnancy Related and Postpartum Services Only<br>(Citizen/Lawful Permanent Resident/PRUCOL/Conditional Status)   |
| 48W                                | Pregnancy Related and Postpartum Services Only<br>(Nonimmigrant/Undocumented Status)  |
| 49W                                | Pregnancy Related and Postpartum Services Only<br>(IRCA Amnesty Aliens)   |
| 47W                                | Full benefits to infants up to one year unless continuous hospitalization lasts beyond one year<br>(Citizen/Lawful permanent resident/PRUCOL/Conditional Status)  |
| 69W                                | Emergency Services Only to infants up to one year unless continuous hospitalization lasts beyond one year<br>(Nonimmigrant/Undocumented Status)   |
| 3. <u>133% Program</u>             | Implemented June 1990, retroactive to April 1, 1990.  |
| 72                                 | Full benefits to children age one to six unless continuous hospitalization lasts beyond age six<br>(Citizen/Lawful permanent resident/PRUCOL/Conditional Status)  |
| 74                                 | Emergency Services Only to children age one to six unless continuous hospitalization lasts beyond age six<br>(Nonimmigrant/Undocumented Status)   |
| 4. <u>100% Program</u>             | Implemented November 1, 1991, retroactive to July 1, 1991.  |
| 7A                                 | Full benefits to children age six to nineteen, born after 9/30/83 unless continuous hospitalization lasts beyond age 19 (Citizen/Lawful permanent resident/PRUCOL/Amnesty Status-ABD or under 18)         |
| 7C                                 | Emergency Services Only to children age six to nineteen, born after 9/30/83 unless continuous hospitalization lasts beyond age 19<br>(Nonimmigrant/Undocumented Status/Amnesty- not ABD or under 18).     |

## APPENDIX B

### Period of Eligibility

1. Pregnant Women (Income Disregard and Asset Waiver): Eligibility begins the first day of the month for which pregnancy is verified and continues through the 60-day period beginning on the last day of pregnancy and ending on the last day of the month in which the 60th day occurs.
2. Infants (Income Disregard and Asset Waiver): Eligibility begins at birth and continues to age one.\*
3. Children:

Ages 1 to 6 (133%): Eligibility begins at age 1 and continues to age six.\*

Ages 6 to 19 (100%): Eligibility begins at age 6 (born after 09/30/83) and continues to age nineteen.\*

\* Inpatient Services

An infant or child who is receiving inpatient medical services during a continuous period which began before and continues beyond his/her ending period (birthday) will continue to be eligible until the end of the continuous inpatient period if otherwise eligible.

## APPENDIX C

### Eligibility Determination

1. The regular MI/MN Medi-Cal Family Budget Unit (MFBU) is the starting point for determining eligibility under the Income Disregard program.

#### MFBU Has No Share of Cost (SOC)

If the family's net nonexempt income is below the maintenance need level and there is no share of cost, there is no eligibility for the Income Disregard program. Workers should issue the appropriate regular Medi-Cal card.

#### MFBU Has A Share of Cost and Sneed Procedures Do Not Apply

Any pregnant woman, infant, or child who would have a share of cost under the MI/MN program shall be considered for potential eligibility under the Income Disregard program.

- A. Determine the number of persons in the MFBU.
- B. Determine the family's net nonexempt income as specified under family income determination below.
- C. Compare to 200% of the Federal Poverty limit for the number of persons in A.
- D. If the family's net nonexempt income is at or below the FPL, eligibility exists.

#### MFBU Has A Share of Cost and Sneed Procedures Apply For the Income Determination

If Sneed procedures apply to the income determination, the MFBU already has been broken down into mini budget units (MBUs). If the MBU which contains the potential Income Disregard program eligible has no SOC, issue a no share-of-cost Medi-Cal card under the appropriate regular program. If the MBU has a SOC, the pregnant woman, infant, or child shall be considered for Income Disregard program eligibility.

- A. Determine the number of people in the MFBU.
- B. Determine the potential Income Disregard program eligible's net nonexempt income as follows:
  - 1) Use the rules described below under family income determination to determine net nonexempt income.
  - 2) Consider only the potential eligible's own net nonexempt income and that of his/her parent/spouse if they are in the MFBU. Note: The income/property of an infant/child is never used to determine his/her parent's or sibling's Income Disregard program eligibility.

- 3) Compare the total net nonexempt income to 200% of the Federal Poverty limit for the number of persons in (A).
- 4) If the family's net nonexempt income exceeds the FPL, no eligibility exists under the Income Disregard program. Compute the share of cost and issue the MC 177 (share-of-cost form) for the regular MI/MN program.
- 5) If the family's net nonexempt income is at or below the FPL, eligibility exists.

## 2. Family Income Determination

- > The allowable income deductions for AFDC-MN families shall be considered for potential eligibility, e.g., child support,  $\$30 + 1/3$ ).
- > Health insurance premiums are not allowable deductions from the gross income when computing the adjusted net nonexempt family income.
- > Deductions which are solely applicable to those who are aged, blind or disabled (ABD) are not allowable deductions.

## APPENDIX D

### Retroactive Repayment of Share of Cost

Beneficiaries who previously met or obligated to pay their share of cost and were subsequently determined eligible in the same month of eligibility for the Income Disregard program are entitled to an adjustment (refund/reduction of the billed amount). If the family met its share of cost but the beneficiary had no expenses for that month (received no benefits), he/she would not be eligible for a refund.

1. Date of Service is less than 12 months:

The beneficiary should be given the Share-of-Cost Medi-Cal Provider Letter (MC 1054) containing the "Old Share of Cost County I.D." and the "New Non-Share of Cost County I.D." to give to the provider for processing. Once the provider's claim for services has been reimbursed by the fiscal intermediary, the provider must refund the appropriate amount to the beneficiary if the met share of cost was paid. If the share of cost was obligated but not paid, the provider reduces the amount billed to the beneficiary by the appropriate amount.

2. Date of Service is older than 12 months:

The beneficiary should be given a retroactive Medi-Cal card containing the original share of cost county, I.D. and an MC 1054. The beneficiary should follow the same procedure as noted above.

3. If the beneficiary had expenses in a past month and the share of cost was not met, the county should issue the appropriate Income Disregard program card.
4. If the beneficiary states that he/she does not wish a refund but prefers an adjustment to a future month's share of cost, follow the procedures outlined in Article 12 of the Medi-Cal Program Guide.

## APPENDIX E

### MEDS Alerts

#### Pregnant Women

Workers will receive an alert towards the end of the 11th month from which the MEDS record was established stating that the woman appears to be no longer eligible for the Income Disregard or Asset Waiver program. The worker will be responsible for terminating the MEDS record. If the woman becomes pregnant again within 12 months, the worker can reactivate the MEDS record through a restoration of benefits; however, no subsequent alert will be generated.

#### Children

An alert (9525) will be generated every 6 months beginning with the last month of eligibility to remind the worker to check the child's inpatient status, send a notice of action, or that a termination action should be taken if MEDS has no termination date.

An alert (9526) will be sent when the child is past the appropriate age and every 6 months thereafter when eligibility has not been reconfirmed by the worker. It will inform the worker that eligibility has been terminated on MEDS.

Workers should consult their MEDS Manual for the appropriate Eligibility Status Action Codes (ESACs) in the case of continuing inpatient status.



## APPENDIX F

### Questions and Answers

1. If a pregnant woman has income of her own and is married to a man receiving disability benefits (not SSI), how is the income to be treated?

Answer: To determine the family's share of cost under the regular MI/MN program, the ABD deductions would be allowed. However, to determine the woman's eligibility under the Income Disregard program, the AFDC-MN deductions are applied to their income. No deductions for the aged, blind or disabled (ABD) are allowed.

2. Same situation as #1 except the husband is in LTC. How are the MFBUs determined?

Answer: There are two MFBUs. The maintenance need for the mom and the unborn will be for two persons. The husband will be in his own MFBU and will receive a maintenance need amount of \$35 for his LTC status.

3. Can a woman become initially entitled to the Income Disregard or Asset Waiver program during the 60-day postpartum period or during one of the three retroactive months prior to the month of application?

Answer: Yes, if otherwise eligible, she may become initially entitled to the programs during or prior to the 60-day postpartum period. For example, if a pregnant woman's initial Medi-Cal application is made three months after the month the pregnancy ended, she still could be eligible for the Income Disregard program. This is unlike the actual 60-day postpartum program (aid code 76) where the woman must have filed for, was eligible for, and received Medi-Cal in the month of delivery.

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For example, mother, father, and an infant apply for Medi-Cal in July and request retroactive coverage for April, May and June. The baby was born in March. The father is fully employed and has no linkage. In April and May, the mother has linkage via the Income Disregard program which covers women during pregnancy and the 60 postpartum days. Assuming she and the infant meet the requirements for the Income Disregard program in April and May, both are covered. In June, there is no linkage for the mother and she is discontinued. The infant's eligibility continues if otherwise eligible.

If the family's income had been above the 200% of the FPL, mom would not have been eligible for the Income Disregard program, nor would she be eligible for the Postpartum program because she did not receive Medi-Cal during her last month of pregnancy (Note: if she received retroactive Medi-Cal during the last month of pregnancy, or had a SOC in that month which was not met, she could not be eligible for the Postpartum program either).

4. Situation #1: Infant is over one year old, has been an inpatient continuously since before the age of one, continues to be an inpatient beyond the age of one, and has been eligible under the Income Disregard program. The family income subsequently exceeds the 200% limit and the infant is discontinued from this program. If the family's income later drops to within the 200 percent limits and there has been no change in the infant's inpatient status, may the infant re-establish eligibility under the Income Disregard program?

Answer: No, the child had a break in eligibility and cannot re-establish eligibility under the Income Disregard program beyond the age of one year. This would hold true regardless of the reason for discontinuance (e.g., excess property, etc.). However, the child should be evaluated under the 133 Percent program.

5. Situation #2: Infant is over one year old, has been an inpatient continuously since before the age of one, continues to be an inpatient beyond the age of one, and has been eligible under the Income Disregard program. The family income subsequently drops to an amount which is at or below the maintenance need level. Will the worker need to change the aid code from the Income Disregard program to the regular MI/MN program code with a zero share of cost or the 133 Percent program if there is a share of cost?

Answer: No. Infants over one year old receiving inpatient services are the only exception to the rule under which infants who would have no share of cost are to receive cards under the regular MI/MN program. This exception would make it administratively easier to ensure that the otherwise eligible infant remains on the Income Disregard program should family income later increase where there would be a share of cost but family income does not exceed 200% of the federal poverty level.

Example: Infant is 14 months old and has been receiving continuous inpatient services since prior to age one. He has been eligible for benefits with no share of cost under the Income Disregard program since birth. His family now has a drop in income to an amount which is below the maintenance need level. The worker shall not change the infant's aid code to the regular MI/MN program because the infant would receive the same scope of benefits with no share of cost under either program.

Two months later the family's income rises above the maintenance need level but not over 200% of the federal poverty level. The worker will not need to review the case history to verify Income Disregard program eligibility prior to age one or make any changes to the infant's record since his aid code had not been changed.

6. When a pregnant woman has two Medi-Cal cards, one with the Income Disregard program aid code and the second card with a regular MI/MN aid code, which card should she present to the doctor?

Answer: If the services she received were pregnancy related, she may use either card though it would be preferable to bill the services under the Income Disregard card so that program costs can be identified. If the services are not pregnancy related, she must use the regular share-of-cost Medi-Cal card.

7. What will happen if a timely 10-day notice is not issued to terminate the infant/child due to the attainment of the maximum age (one/six/nineteen)?

Answer: A 10-day notice is always required for adverse actions. If a 10-day notice was not sent in time and MEDS has already terminated the record, the worker will need to ask the MEDS operator to input an ESAC code of 9 with a termination date to allow for the extra month(s) needed to issue the 10-day notice of action.

8. Are Medicare premiums considered health insurance premiums?

Answer: Yes, parts A and B of Medicare are considered health insurance premiums. Therefore, under the Percent programs no deductions are allowed for Medicare premiums regardless of whether the beneficiary is paying it directly or if the State is paying the premium.

9. When a pregnant woman who is eligible under the Income Disregard program delivers her baby and the newborn will be the only person left on the MFBU as a Medi-Cal eligible, how soon after delivery must the worker obtain a new application?

Answer: Infants born to Medi-Cal eligible women are automatically deemed eligible for one year (Continued Eligibility), provided certain criteria are met. In this case, a separate application form, MC 13, and Social Security number are not required until the infant attains age one.

10. Will the workers be required to verify continuous inpatient status for the infant/child over one/six/nineteen?

Answer: The workers are not required to verify continuous inpatient services for infants over one year old. The workers will continue with their current verification procedures. However, the workers are cautioned that the potential for an overpayment exists if verification is not done. Remember, MEDS will send out alerts at 6 month intervals to remind the workers to verify continuing eligibility. Therefore, if the worker does not verify continuing eligibility, a potential overpayment situation may exist for 6 months or longer.

## APPENDIX G

The following are examples of regular Income Disregard and Parental Income Disregard provision eligibility determinations. (< > indicates a person is an ineligible member of the MFBU.)

### EXAMPLE 1: PREGNANT WOMAN, HUSBAND AND THREE-MONTH-OLD COMMON CHILD

The family consists of a married couple, unborn and three-month-old common child. The husband is disabled and receives disability income. The wife has earnings.

#### MI/MN Program SOC Computation

##### MFBU

|                 |             |                    |
|-----------------|-------------|--------------------|
| Disabled father | \$1,480     | (1,500 – 20)       |
| Pregnant mother | \$ 570      | [(1,205 – 65) ÷ 2] |
| 3-month-old son | \$ 0        |                    |
| Unborn          | <u>\$ 0</u> |                    |
| Total           | \$2,050     |                    |
| Limit for four  | \$1,100     |                    |

#### Income Disregard Program Computation

|                       |                      |
|-----------------------|----------------------|
| <Disabled father>     | \$1,500              |
| Pregnant mother       | \$1,115 (1,205 – 90) |
| 3-month-old son       | \$ 0                 |
| <Unborn>              | <u>\$ 0</u>          |
| Total                 | \$2,615              |
| Limit for four (2003) | \$3,067              |

Since the adjusted net nonexempt income of \$2,615 is greater than the \$1,100 maintenance level, but does not exceed \$3,067 (200% of poverty level for 2003), the pregnant mother and three-month-old infant son are eligible under the Income Disregard program.

#### Asset Waiver Provision Computation

The same family, in the above example, has assets above the Medi-Cal property limit for four persons. Current law allows an asset waiver for pregnant women and infants whose family net nonexempt income does not exceed 200% of the federal poverty level. Since the adjusted net nonexempt income of \$2,615 is less than \$3,067 (200% of the 2003 FPL for four) there is eligibility to the Asset Waiver provision of the Income Disregard program.

## EXAMPLE 2: UNMARRIED PREGNANT MINOR LIVING WITH HER PARENTS

The family consists of an unmarried pregnant 17-year-old citizen woman living with her parents. The minor is not deprived and the family is not eligible for the Section 1931(b) or the Medically Needy (MN) program. The county has determined that she has a SOC in the Medically Indigent (MI) program. If the county had evaluated the pregnant woman for the Income Disregard program using previous rules, she would not be eligible due to her and her parent's income. Assume the income is net nonexempt.

### I. Previous Income Disregard Program Rules

|                           |             |
|---------------------------|-------------|
| <Pregnant minor's mother> | \$1,500     |
| <Pregnant minor's father> | \$2,000     |
| Pregnant minor            | \$ 500      |
| Unborn                    | <u>\$ 0</u> |
| Total                     | \$4,000     |
| Limit for four (2002)     | \$3,017     |

When the county uses the new parental income disregard provision, the pregnant minor is now eligible since only her income is used.

### J. Revised Parental Income Disregard Provision

|                |             |
|----------------|-------------|
| Pregnant woman | \$ 500      |
| Unborn         | <u>\$ 0</u> |
| Total          | \$ 500      |
| Limit (2002)   | \$1,990     |

The minor should be reported to the Medi-Cal Eligibility Data Systems (MEDS) using the usual secondary aid code of 44 for pregnancy-related services only. She will have a SOC in the MI program for non-pregnancy services and may be reported to MEDS with a primary aid code of 83. If she did not have satisfactory immigration status, she would be reported to MEDS with a secondary aid code of 48, with a primary aid code of either 58 or 5F.

## EXAMPLE 3: 18-YEAR-OLD PREGNANT WOMAN IN HER FIRST TRIMESTER LIVING WITH HER PARENTS AND HER UNBORN CHILD'S FATHER (BOYFRIEND)

This pregnant unemployed 18-year-old was evaluated for the Section 1931(b) program as an adult, but is not eligible because either she is not in her last trimester of pregnancy or her income is over the limit. She and her parents should then be evaluated for the MI program because her father is employed and she is not deprived. The minor's parents are now in the Medical Family Budget Unit (MFBU) because she is considered a child in that program. The senior parents have no linkage. Assume the income is net nonexempt. The pregnant minor and her unborn are also in the MN MFBU with the unemployed boyfriend (second parent) to determine if he is eligible.

MI Program

|                           |               |
|---------------------------|---------------|
| Pregnant minor            | \$1,000       |
| Unborn                    | \$ 0          |
| <Pregnant minor's father> | \$3,000       |
| <Pregnant minor's mother> | <u>\$ 500</u> |
| Total                     | \$4,500       |
| Limit                     | \$1,100       |
| SOC                       | \$3,400       |

MN Program

|                  |             |
|------------------|-------------|
| <Pregnant minor> | \$1,000     |
| Unborn           | \$ 0        |
| Boyfriend        | <u>\$ 0</u> |
| Total            | \$1,000     |
| Limit            | \$ 934      |
| SOC              | \$ 66       |

Since the pregnant minor has a SOC in the MI MFBU, Sneede rules apply. Sneede rules also apply to the MN MFBU when determining the boyfriend's eligibility because they are unmarried. He appears eligible with zero SOC for the MN program because the pregnant minor does not deem any income to him in the Sneede determination.

Pregnant Minor's Sneede Determination:

|                           |  |
|---------------------------|--|
| <Pregnant minor's father> | $\$3,000 - \$600 = \$2,400 \div 2 = \$1,200$ |
| <Pregnant minor's mother> | $\$500 - \$600 = \$0$                        |

Mini Budget Unit (MBU) No. 1

|                           |                         |
|---------------------------|-------------------------|
| <Pregnant minor's father> | \$ 600                  |
| <Pregnant minor's mother> | <u>\$ 500 + \$1,200</u> |
| Total                     | \$2,300                 |
| Limit                     | \$ 934                  |

MBU No. 2

|                |                   |
|----------------|-------------------|
| Pregnant minor | \$1,000 + \$1,200 |
| <Unborn>       | <u>\$ 0</u>       |
| Total          | \$2,200           |
| Limit          | \$ 550 *          |
| SOC            | \$1,650           |

\*Note: The unborn is counted as a child when determining the Sneede limit for a pregnant mother.

The minor has a SOC in the MI program, is not eligible for the 100 Percent program and should be evaluated for the Income Disregard program using the new parental income disregard rules.

Revised Parental Income Disregard Provision

|                |             |
|----------------|-------------|
| Pregnant minor | \$1,000     |
| Unborn         | <u>\$ 0</u> |
| Total          | \$1,000     |
| Limit (2002)   | \$1,990     |

The pregnant minor is eligible for the Income Disregard program for her pregnancy related benefits using the new rules.

#### EXAMPLE 4: STEPPARENT HOUSEHOLD WITH PREGNANT MINOR AND HER BOYFRIEND (PARENT OF UNBORN)

A stepparent household consists of a married couple, the husband's separate unmarried 16-year-old pregnant minor, the minor's unborn child, the minor's unemployed 17-year-old boyfriend (father of the unborn), and the wife's separate ten-year-old child. The entire household applies for Medi-Cal and the father reports his daughter's pregnancy. They are evaluated for the Section 1931(b) program. The minor's boyfriend (father of the unborn) is requesting benefits, but is not eligible for Section 1931(b) until the baby is born. Assume the income is net nonexempt.

##### Section 1931(b) MFBU No. 1

|                           |             |
|---------------------------|-------------|
| Father                    | \$2,010     |
| Stepmother                | \$ 500      |
| Pregnant minor            | \$ 200      |
| Unborn                    | \$ 0        |
| Stepmother's ten-year-old | <u>\$ 0</u> |
| Total                     | \$2,900     |
| Limit (2002)              | \$1,765     |

##### Section 1931(b) MFBU No. 2

|                  |             |
|------------------|-------------|
| <Boyfriend>      | \$ 200      |
| <Pregnant minor> | \$ 200      |
| <Unborn>         | <u>\$ 0</u> |
| Total            | \$ 400      |
| Limit (2002)     | \$1,252     |

Since the family members in MFBU No. 1 are over the Section 1931(b) limit, Sneed rules apply. All the persons in MFBU No. 2 are ineligible members.

Father  $\$2,010 - \$739 = \$1,271 \div 2 = \$635.50$

Stepmother  $\$500 - \$739 = \$0$

##### MBU No. 1

|              |                       |
|--------------|-----------------------|
| Father       | \$ 739                |
| Stepmother   | <u>\$ 500 + \$636</u> |
| Total        | \$1,875               |
| Limit (2002) | \$ 995                |

##### MBU No. 2

|                |                |
|----------------|----------------|
| Pregnant minor | \$ 200 + \$636 |
| Unborn         | <u>\$ 0</u>    |
| Total          | \$ 836         |
| Limit (2002)   | \$ 835         |

##### MBU No. 3

|              |             |
|--------------|-------------|
| 10-year-old  | <u>\$ 0</u> |
| Limit (2002) | \$ 498      |

Only the ten-year-old is eligible for Section 1931(b) in the first month. Evaluate the other family members for the MN program. The ten-year-old is not in the MN MFBU.

##### MN MFBU No. 1

|                |             |
|----------------|-------------|
| Father         | \$2,010     |
| Stepmother     | \$ 500      |
| Pregnant minor | \$ 200      |
| Unborn         | <u>\$ 0</u> |
| Total          | \$2,710     |
| Limit          | \$1,100     |
| SOC            | \$1,610     |

The second MFBU would consist of the ineligible pregnant minor, her unborn, and the eligible boyfriend (and father of the unborn) and any other children of the minor, if applicable.

## MN MFBU No. 2

|                                  |               |
|----------------------------------|---------------|
| <Ineligible pregnant minor>      | \$ 200        |
| Unborn                           | \$ 0          |
| Boyfriend (father of the unborn) | <u>\$ 200</u> |
| Total                            | \$ 200        |
| Limit                            | \$ 934        |

The boyfriend is eligible in the MN program. The pregnant minor has a SOC in the MN program and is not eligible for the 100 Percent program. Evaluate her for the Income Disregard program.

### Income Disregard Program

|                |               |
|----------------|---------------|
| <Father>       | \$2,010       |
| <Stepmother>   | \$ 500        |
| Pregnant minor | \$ 200        |
| Unborn         | \$ 0          |
| <10-year-old>  | <u>\$ N/A</u> |
| Total          | \$2,710       |
| Limit (2002)   | \$3,530       |

The pregnant minor is eligible for the Income Disregard program. There is no need to proceed to the Revised Income Disregard program. NOTE: If the county used the new parental income provision, the father, stepmother, and the ten-year-old sibling would not be included in the MFBU thus reducing the family size. In this instance, it was more beneficial for the pregnant minor for the county not to use the parental income disregard provision.

### EXAMPLE 5: 18-YEAR-OLD UNMARRIED PREGNANT WOMAN, BOYFRIEND, SIBLINGS, AND HER PARENT

The family consists of an unmarried pregnant 18-year-old woman who is in her last trimester of pregnancy and not enrolled in school, her employed boyfriend (father of the unborn), his separate child with income, the pregnant woman's two siblings age 10 and 15, and the pregnant woman's parent. They all live in the home. Although the pregnant woman is an adult for purposes of the Section 1931(b) program, her unborn is not deprived and she is not an essential person. Therefore, she is not eligible for the Section 1931(b) program. Evaluate her siblings and her parent for the Section 1931(b) program. The pregnant woman is an ineligible member of her mother's MFBU because her mother requested aid and the pregnant woman is not eligible for Section 1931(b) in a separate case. Assume the income is net nonexempt.

### Section 1931(b) Program

|                         |             |
|-------------------------|-------------|
| Pregnant woman's mother | \$2,000     |
| Child No. 1             | \$ 0        |
| Child No. 2             | \$ 200      |
| <Pregnant 18-year-old>  | \$2,500     |
| <Unborn>                | <u>\$ 0</u> |
| Total                   | \$4,700     |
| Limit (2002)            | \$1,765     |



The family is over the limit; therefore, Sneede rules apply. Pregnant woman's Mother  
 $\$2,000 - \$739 = \$1,261 \div 3 = \$420$

| <u>MBU No. 1</u>   | <u>MBU No. 2</u>        | <u>MBU No. 3</u>          | <u>MBU No. 4</u>              |
|--------------------|-------------------------|---------------------------|-------------------------------|
| Mother \$739       | Child No. 1 \$0 + \$420 | Child No. 2 \$200 + \$420 | <18-year-old> \$2,500 + \$420 |
| Total <u>\$739</u> | Total <u>\$420</u>      | Total <u>\$620</u>        | <Unborn> \$ 0                 |
| Limit \$739        | Limit (2002) \$498      | Limit (2002) \$498        | Total <u>\$2,920</u>          |
| (2002)             |                         |                           | Limit (2002) \$ 835           |

The mother and child Number One are eligible for Section 1931(b). Evaluate the other child (Number Two) for the MN program. The pregnant woman is a minor child for this program. No income from the mother or child Number One is considered in the MN determination since they are eligible for Section 1931(b).

| <u>MN Program</u>                 | <u>Sneede MBU No. 1</u> | <u>Sneede MN MBU No. 2</u> |
|-----------------------------------|-------------------------|----------------------------|
| Pregnant minor \$2,500            | Pregnant minor \$2,500  | Child No. 2 <u>\$ 200</u>  |
| Unborn \$ 0                       | Unborn <u>\$ 0</u>      | Limit \$ 600               |
| Sibling child No. 2 <u>\$ 200</u> | Total \$2,500           |                            |
| Total \$2,700                     | Limit \$ 750            |                            |
| Limit \$1,100                     | SOC \$1,750             |                            |
| SOC \$1,600                       |                         |                            |

Sneede rules apply. Sibling Number Two is eligible for the MN program with no SOC. The pregnant minor has a \$1,750 SOC. NOTE: Each MBU has a full income limit because the pregnant minor's mother is not in the MFBU. The pregnant minor's mother and child Number One are eligible for Section 1931(b) and are treated as though they were receiving California Work Opportunity and Responsibility to Kids.

Evaluate the pregnant minor for the 100 Percent program.

#### 100 Percent Program

|                           |             |
|---------------------------|-------------|
| <Pregnant minor's mother> | \$2,000     |
| <Child No. 1>             | \$ N/A      |
| <Child No. 2>             | \$ N/A      |
| Pregnant 18-year-old      | \$2,500     |
| Unborn                    | <u>\$ 0</u> |
| Total                     | \$4,500     |
| Limit (2002)              | \$1,765     |

The pregnant 18-year-old is not eligible for the 100 Percent program. Evaluate the pregnant woman for the Income Disregard program.

#### Income Disregard Program

|                           |             |
|---------------------------|-------------|
| <Pregnant minor's mother> | \$2,000     |
| <Child No. 1>             | \$ N/A      |
| <Child No. 2>             | \$ N/A      |
| Pregnant 18-year-old      | \$2,500     |
| Unborn                    | <u>\$ 0</u> |
| Total                     | \$4,500     |
| Limit (2002)              | \$3,530     |

The pregnant woman is not eligible for the Income Disregard program using regular rules. Evaluate her for the parental income disregard provision.

#### Revised Parental Income Disregard Provision

|                      |             |
|----------------------|-------------|
| Pregnant 18-year-old | \$2,500     |
| Unborn               | <u>\$ 0</u> |
| Total                | \$2,500     |
| Limit (2002)         | \$1,990     |

The pregnant 18-year-old is not eligible using the parental income disregard provision. She will have a \$1,750 SOC in the MN program. Evaluate the father of the unborn and his separate child for Section 1931(b).

#### Section 1931(b) Program

|                  |               |
|------------------|---------------|
| Father of unborn | \$ 880        |
| Separate child   | <u>\$ 100</u> |
| Total            | \$ 980        |
| Limit (2002)     | \$ 995        |

The father of her unborn and his separate child are eligible for Section 1931(b).

#### EXAMPLE 6: MARRIED PREGNANT 19-YEAR-OLD LIVING WITH HER PARENT

A married pregnant 19-year-old living with her 21-year-old husband, their mutual three-year-old child and her parent, age 42. Because the 19-year-old is considered an adult for Section 1931(b), her mother is not included in the Section 1931(b) MFBU and is not eligible because she has no deprived "child." The pregnant woman is incapacitated. Evaluate her, her husband, and their mutual child for Section 1931(b). Assume the income is net nonexempt.

#### Section 1931(b) MFBU

|                |             |
|----------------|-------------|
| Pregnant woman | \$ 750      |
| Unborn         | \$ 0        |
| Spouse         | \$2,000     |
| Mutual child   | <u>\$ 0</u> |
| Total          | \$2,750     |
| Limit (2002)   | \$1,509     |

Since the family failed the Section 1931(b) income test, evaluate them for the MN program to determine their SOC. The pregnant minor's parent is now included in this MFBU because the pregnant minor is considered a child for this program.

**MFBU No. 1**

|                           |            |
|---------------------------|------------|
| <Pregnant minor's parent> | \$3,000    |
| Pregnant 19-year-old      | \$750      |
| Unborn                    | \$0        |
| <Spouse>                  | \$2,000    |
| <Mutual child>            | <u>\$0</u> |
| Total                     | \$5,750    |
| Limit                     | \$1,259    |
| SOC                       | \$4,491    |

**MFBU No. 2**

|                        |            |
|------------------------|------------|
| <Pregnant 19-year-old> | \$750      |
| Unborn                 | \$0        |
| Spouse                 | \$2,000    |
| Mutual child           | <u>\$0</u> |
| Total                  | \$2,750    |
| Limit                  | \$1,100    |
| SOC                    | \$1,650    |

**MFBU No. 3**

|                         |                |
|-------------------------|----------------|
| Pregnant minor's parent | \$3,000        |
| <Pregnant 19-year-old>  | \$750          |
| Total                   | <u>\$3,750</u> |
| Limit                   | \$750          |
| SOC                     | \$3,000        |

Evaluate the pregnant woman and the child for the Percent programs.

**Income Disregard Program**

|                           |             |
|---------------------------|-------------|
| <Pregnant minor's parent> | \$3,000     |
| Pregnant 19-year-old      | \$ 750      |
| Unborn                    | \$ 0        |
| <Spouse>                  | \$2,000     |
| <Mutual child>            | <u>\$ 0</u> |
| Total                     | \$5,750     |
| Limit (2002)              | \$3,530     |

**133 Percent Program**

|                   |             |
|-------------------|-------------|
| <Pregnant mother> | \$ 750      |
| <Unborn>          | \$ 0        |
| <Father>          | \$2,000     |
| Mutual child      | <u>\$ 0</u> |
| Total             | \$2,750     |
| Limit (2002)      | \$2,007     |

The pregnant woman is not eligible for the Income Disregard program for her pregnancy-related services using regular Medi-Cal rules. Evaluate her using the parental income disregard provision rules.

**Revised Parental Income Disregard Provision**

|                      |             |
|----------------------|-------------|
| Pregnant 19-year-old | \$ 750      |
| Unborn               | \$ 0        |
| <Spouse>             | \$2,000     |
| <Mutual child>       | <u>\$ 0</u> |
| Total                | \$2,750     |
| Limit (2002)         | \$3,017     |

The pregnant woman is eligible for the Income Disregard program using the new parental income disregard rules; however, she has a \$4,491 SOC for her other services. Her child is not eligible for the 133 Percent

program and has a SOC of \$1,650. The child should be referred to Healthy Families (HF). The pregnant woman's husband also has a SOC of \$1,650. The pregnant woman's mother has a SOC of \$3,000.